

Before the
Federal Communications Commission
Washington, D.C. 20554

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Federal Communications Commission
Office of the Secretary

In the Matter of)
)
FAMILY BROADCASTING, INC) EB Docket No. 01-39
)
Order to Show Cause Why the Licenses for)
Stations WSTX(AM) and WSTX-FM,)
Christianstead, U.S. Virgin Islands,)
Should Not Be Revoked)

To: Chief Administrative Law Judge
Richard L. Sippel

ENFORCEMENT BUREAU'S
PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

Respectfully submitted,

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Summary

The record evidence establishes that the applications to transfer control of Family Broadcasting, Inc. ("FBI") from Gerard Luz A. James ("Luz James") and Asta James to their four adult children should be denied. Consequently, the licenses for Stations WSTX(AM) and WSTX-FM should be revoked.

Barbara James-Petersen, FBI's current President, lives with her parents, Luz James and Asta James, at their home and has since 1990. Ms. James-Petersen is the only one of the four adult children of Luz and Asta James who has been actively involved in operations of the stations and the only one likely to continue to be so involved. Ms. James-Petersen, who receives no income from FBI, depends on her parents for much of her personal financial support, her son's medical expenses, and the financial support of the stations. Business records of the stations are kept at the home of Luz and Asta James, and Luz James has access to the post office box which receives the stations' mail. Luz James appears to have set and retained the stations' rates charged for airtime, he has regularly-scheduled programs at the stations, and he occasionally sells commercial time for the stations. Hence, his influence over his daughter and his ability to control operations of the stations is significant.

Although Ms. James-Petersen's role in non-compliant operations of the stations was not as significant as Luz James's, she should still bear some responsibility for the licensee's established failures to operate at or near the stations' authorized parameters and to respond to official Commission correspondence. Moreover, even though Ms. James-Petersen did not misrepresent facts or lack candor during her tenure as General Manager prior to Luz James's resignation as the licensee's President, she did seek to

deceive the Commission when she claimed in a declaration that the stations were the only valuable assets that her father held for the benefit of his descendants.

In view of all the foregoing, grant of the applications to transfer control of Family Broadcasting, Inc. from Luz and Asta James to their four adult children would not serve the public interest. Those applications should be denied and the licenses for Stations WSTX(AM) and WSTX-FM should be revoked.